

SB3194



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB3194

Introduced 2/9/2010, by Sen. M. Maggie Crotty

SYNOPSIS AS INTRODUCED:

20 ILCS 505/5.35a new
20 ILCS 1705/54

from Ch. 91 1/2, par. 100-54

Amends the Children and Family Services Act and the Mental Health and Developmental Disabilities Administrative Act. Provides that beginning on the effective date of this amendatory Act, the Department of Human Services shall have the sole and exclusive authority to establish rates for residential services provided to children and adolescents with a developmental disability as defined in the Mental Health and Developmental Disabilities Code. Effective immediately.

LRB096 18461 KTG 33840 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Children and Family Services Act is amended
5 by adding Section 5.35a as follows:

6 (20 ILCS 505/5.35a new)

7 Sec. 5.35a. Residential services for children with
8 developmental disabilities; rate-setting authority. Beginning
9 on the effective date of this amendatory Act of the 96th
10 General Assembly, the Department of Human Services shall have
11 the sole and exclusive authority to establish rates for
12 residential services provided to children and adolescents with
13 a developmental disability as defined in the Mental Health and
14 Developmental Disabilities Code.

15 Section 10. The Mental Health and Developmental
16 Disabilities Administrative Act is amended by changing Section
17 54 as follows:

18 (20 ILCS 1705/54) (from Ch. 91 1/2, par. 100-54)

19 Sec. 54. Establishment of rates for purchase of services.

20 (a) It is the purpose of this Section to establish
21 procedures for the development, calculation, and communication

1 of rates promulgated by the Department for the purchase of
2 services for persons with a developmental disability, and
3 persons with mental illness; to require the promulgation of
4 rules which specify the treatment of costs for purposes of
5 establishing rates for various purchase care program
6 categories; to require that rates be equitable,
7 understandable, and established through an open, public
8 process; and to require the delineation of where purchase care,
9 grant-in-aid, and other payment mechanisms are most
10 appropriately utilized. The Department's rate-setting policy
11 should stimulate the development of cost effective, clinically
12 appropriate, community-based residential, and other support
13 services for recipients according to an annual statement of
14 purchase care goals and objectives.

15 (b) The Department shall establish rates in all instances
16 where services are purchased by the Department for a specific
17 recipient from a specific community service provider for which
18 the Department has the responsibility for establishing payment
19 rates. When determining rates, the Department shall take into
20 consideration differences in the costs of doing business among
21 the various geographic regions of the State and shall set rates
22 that reflect those differences. The Department may, for various
23 program categories, adopt rates that are set by other State
24 agencies.

25 (c) The Department shall perform the following duties:

26 (1) Develop rate-setting methodologies for purchase

1 care program categories.

2 (2) Promulgate rules and regulations governing
3 rate-setting, treatment of costs, treatment of occupancy,
4 and payment and contracting processes for purchase care.

5 (3) Collect cost and performance information from care
6 providers. The Department may stipulate forms, unit of
7 service definitions, reporting procedures and reporting
8 intervals.

9 (4) Calculate purchase of care reimbursement rates for
10 specific providers based on the promulgated rate
11 methodology for that program category.

12 (5) Negotiate and implement purchase of care contracts
13 with specific providers.

14 (6) Develop an annual statement of purchase care goals
15 and objectives detailing maximum units of service by
16 program category to be purchased. The plan for each fiscal
17 year shall be completed by May 1 of the previous fiscal
18 year.

19 (7) Conduct an annual review and prepare an annual
20 report of rates and units of service purchased, comparing
21 the annual purchase of care statement with actual services
22 purchased, and the actual cost of providing those services.
23 The report shall be made available by May 1.

24 (8) Establish and promulgate a process and criteria for
25 appealing rates.

26 (9) Develop and promulgate standards and criteria by

1 which provider performance shall be evaluated.

2 (10) Set rates based on published methodologies and
3 subject to the availability of funds appropriated by the
4 General Assembly.

5 (11) Establish and promulgate a policy regarding
6 applicability of income offsets in rate calculation or
7 payment processes.

8 (12) Develop criteria for selection of payment
9 mechanisms to be employed in funding community services.

10 (d) The Department may investigate and employ alternative
11 rate setting approaches and engage in demonstration projects.
12 These approaches must be publicly articulated by the
13 Department, identifying the purpose and scope of the
14 alternative approach and evaluation to be conducted.

15 (e) (Blank).

16 (f) Beginning on the effective date of this amendatory Act
17 of the 96th General Assembly, the Department of Human Services
18 shall have the sole and exclusive authority to establish rates
19 for residential services provided to children and adolescents
20 with a developmental disability as defined in the Mental Health
21 and Developmental Disabilities Code.

22 (Source: P.A. 89-58, eff. 1-1-96; 89-507, eff. 7-1-97; 90-423,
23 eff. 8-15-97.)

24 Section 99. Effective date. This Act takes effect upon
25 becoming law.